

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-03513A
Strawberry Water Co., Inc.
P.O. Box 82218
Bakersfield, CA 93380

ANNUAL REPORT

FOR YEAR ENDING

12	31	2006
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FOR COMMISSION USE

ANN04	06
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entered
4-20-07

COMPANY INFORMATION

Company Name (Business Name): Strawberry Water Co., Inc.

Mailing Address: P.O. Box 82218
(Street)

Bakersfield CA 93380
(City) (State) (Zip)

800-270-6084 or 661-633-7546 800-748-6981
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address: customerservice@gswater.com or mistiej@brookeutilities.com

Local Office Mailing Address: 1010 S. Stover Rd.

Payson Arizona 85541
(City) (State) (Zip)

928-474-8130 928-474-1695
Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

MANAGEMENT INFORMATION

Management Contact: Robert T. Hardcastle President
(Name) (Title)

P.O. Box 82218 Bakersfield CA 93380
(Street) (City) (State) (Zip)

661-633-7526 800-748-6981
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address: rth@brookeutilities.com

On Site Manager: Shaun Stouder
(Name)

1010 S. Stover Rd. Payson AZ 85541
(Street) (City) (State) (Zip)

928-474-8130 928-474-1695
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address: shauns@brookeutilities.com

☒ **Please mark this box if the above address(es) have changes or are updated since the last filing.**

Statutory Agent: Robert T. Hardcastle
(Name)

P.O. Box 82218
(Street)

Bakersfield
(City)

CA
(State)

93380
(Zip)

661-633-7526

800-748-6981

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: Jay Shapiro with Fennemore Craig
(Name)

3003 N. Central Ave. Ste. 2600
(Street)

Phoenix
(City)

AZ
(State)

85012
(Zip)

602-916-5000

602-916-5566

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe)

COUNTIES SERVED

Check the box for the county/ies in which you are certified to provide service:

<input type="checkbox"/> APACHE	<input type="checkbox"/> COCHISE	<input type="checkbox"/> COCONINO
<input checked="" type="checkbox"/> GILA	<input type="checkbox"/> GRAHAM	<input type="checkbox"/> GREENLEE
<input type="checkbox"/> LA PAZ	<input type="checkbox"/> MARICOPA	<input type="checkbox"/> MOHAVE
<input type="checkbox"/> NAVAJO	<input type="checkbox"/> PIMA	<input type="checkbox"/> PINAL
<input type="checkbox"/> SANTA CRUZ	<input type="checkbox"/> YAVAPAI	<input type="checkbox"/> YUMA
<input type="checkbox"/> STATEWIDE		

COMPANY NAME: STRAWBERRY WATER COMPANY, INC

ANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D (OC less AD)
301	Organization	6,739	3,206	3,533
302	Franchises			
303	Land and Land Rights	4,309	4,309	-
304	Structures and Improvements	98,744	80,298	18,446
307	Wells and Springs	227,381	116,296	111,085
311	Pumping Equipment	199,025	83,857	115,168
320	Water Treatment Equipment	7,674	3,057	4,617
330	Distribution Reservoirs and Standpipes	171,880	171,523	357
331	Transmission and Distribution Mains	665,075	457,142	207,933
333	Services	44,410	36,163	8,247
334	Meters and Meter Installations	151,150	71,519	79,631
335	Hydrants	167	49	118
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	48,674	26,150	22,524
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	3,328	652	2,676
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	122	3	119
	TOTALS	1,628,678	1,054,224	574,454

This amount goes on the Balance Sheet Acct. No.108

COMPANY NAME: STRAWBERRY WATER COMPANY, INC**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	6,739	2.63%	177
302	Franchises			
303	Land and Land Rights	4,309	0.00%	-
304	Structures and Improvements	98,744	2.69%	2,653
307	Wells and Springs	227,381	2.65%	6,015
311	Pumping Equipment	199,025	2.60%	5,172
320	Water Treatment Equipment	7,674	2.59%	199
330	Distribution Reservoirs and Standpipes	171,880	2.56%	4,402
331	Transmission and Distribution Mains	665,075	2.64%	17,563
333	Services	44,410	2.74%	1,218
334	Meters and Meter Installations	151,150	2.55%	3,850
335	Hydrants	167	2.99%	5
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	48,674	2.98%	1,450
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	3,328	2.61%	87
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	122	1.64%	2
	TOTALS	1,628,678	2.63%	42,793

This amount goes on Comparative Statement of Income and Expense
Acct. No.403.

COMPANY NAME: STRAWBERRY WATER COMPANY, INC

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ -	\$ -
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	2,321	
146	Notes/Receivables from Associated Company		
160	Other Receivables - Contingency	-	-
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	-	-
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 2,321	\$ -
	FIXED ASSETS		
101	Utility Plant in Service	\$ 1,610,613	\$ 1,628,678
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation - Utility Plant	(1,011,431)	(1,054,224)
121	Not-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 599,182	\$ 574,454
	DEFERRED INCOME TAX DEBITS	\$ 368,000	\$ 368,000
	TOTAL ASSETS	\$ 969,503	\$ 942,454

NOTE: The Assets on this page should be equal to **Total Liabilities & Capital** on the following page.

COMPANY NAME: STRAWBERRY WATER COMPANY, INC

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 5,687	\$ 382
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Company	271,171	123,561
235	Customer Deposits	16,540	13,457
236	Accrued Taxes	-	-
238	Other accrued expense	-	-
241	Miscellaneous Current and Accrued Liabilities	28,487	17,340
	TOTAL CURRENT LIABILITIES	\$ 321,885	\$ 154,740
	LONG-TERM DEBT (Over 12 Months)		
224	Long-term Notes and Bonds	\$ 20	\$ -
	Deferred Credits		
251	Unamortized Premium on Debt		
	Refundable Meter Advances	\$ 29,791	\$ 30,018
252	Advances in Aid of Construction	84,628	155,936
			-
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Taxes		
	TOTAL DEFERRED CREDITS	\$ 114,419	\$ 185,954
	TOTAL LIABILITIES	\$ 436,324	\$ 340,694
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 274,955	\$ 274,955
211	Paid In Capital in Excess of Par Value	535,551	535,551
215	Retained Earnings	(277,327)	(208,746)
218	Proprietary Capital (Sole Props & Partnerships)		
	TOTAL CAPITAL	\$ 533,179	\$ 601,760
	TOTAL LIABILITIES AND CAPITAL	\$ 969,503	\$ 942,454

COMPANY NAME: STRAWBERRY WATER COMPANY, INC

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 421,233	\$ 442,391
460	Unmetered Water Revenue		
474	Other Water Revenues	5,988	4,129
	TOTAL REVENUES	\$ 427,221	\$ 446,520
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 72,255	\$ 64,573
610	Purchased Water	15,950	18,180
615	Purchased Power	29,188	24,528
618	Chemicals	3,455	1,635
620	Repairs & Maintenance	11,733	12,919
621	Office Supplies and Expense		
630	Outside Services	249,916	101,955
635	Water Testing	4,270	5,057
641	Rents	153	
650	Transportation Expenses	513	650
657	Insurance - General Liability		
659	Insurance - Health and Life	6,763	4,941
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	41,092	49,565
403	Depreciation Expense	41,890	42,793
408	Taxes Other Than Income	24,255	27,578
408.11	Property Taxes	21,010	22,945
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 522,443	\$ 377,319
	OPERATING INCOME/(LOSS)	\$ (95,222)	\$ 69,201
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ -	\$ -
421	Non-Utility Income	-	196
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(892)	(816)
	TOTAL OTHER INCOME/EXPENSE	\$ (892)	\$ (620)
	NET INCOME/(LOSS)	\$ (96,114)	\$ 68,581

COMPANY NAME: STRAWBERRY WATER CO., INC.

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principal	\$	\$	\$	\$

Meter Deposit Balance at Test Year End	\$ 30,018.37
Meter Deposits Refunded During the Test Year	\$ 4,932.50

COMPANY NAME: STRAWBERRY WATER CO., INC.	
Name of System: Strawberry Water System	ADEQ Public Water System Number (If applicable): PWS 04-006

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled	Arsenic Levels (mg/L)
55-635776	2	20	60	6	2	1968	0.002
55-635780	5	0	60	6	2	1968	0.002
55-635773	2	0	60	8	2	1960	0.002
55-635774	5	30	40	6	1	1970	0.002
55-635779	3	13	40	8	2	1998	0.001
55-807338	5	28	755	6	1	1978	0.002
55-635771	No pump	0	120	6	none	1973	N/A
55-616681	5	6	205	16	2	1976	0.002
55-616680	2	0	250	10	none	1976	<0.001
55-603962	2	1.5	300	6	1	1978	0.001

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Water Sharing Agreement: M	26.0	10,283
Water Sharing Agreement: O	8.0	2,403
Water Sharing Agreement: J1	25.0	8,693
Water Sharing Agreement: J2	12.5	5,250
Water Sharing Agreement: K	5.0	483

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5	2	None	
7.5	8		

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: STRAWBERRY WATER CO., INC.	
Name of System: Strawberry Water System	ADEQ Public Water System Number (If applicable): PWS 04-006

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
10,000 gallons	3	350 gallons	4
15,000 gallons	1	500 gallons	1
20,000 gallons	2	1,000 gallons	1
67,500 gallons	1	2,000 gallons	3
100,00 gallons	1	3,000 gallons	1

MAINS

Size (in inches)	Material	Length (in Feet)
2	ABS	6,969
2	Steel	100
2	PVC	231
3	ABS	23,029
3	PVC	21
3	Steel	120
4	PVC	39,767
4	ABS	1,693
4	AC	330
6	Steel	1,300
6	AC	17,937
6	PVC	35,063
8	None	
10	None	
12	None	

CUSTOMER METERS*

Size (in inches)	Quantity
5/8 X 3/4	1,058
3/4	58
1	15
1 1/2	1
2	1
Comp. 3	1
Turbo 3	0
Comp. 4	0
Turbo 4	0
Comp. 6	0
Turbo 6	0
Total	1,133

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

3 – Mark 1 pellet chlorinators

STRUCTURES:

1 – 8' x 12' concrete block building 1- 8' x 8' concrete block building
 2- 8' x 12' concrete block building 1- 10' x 10' concrete block building
 5- 8' x 8' concrete block building 1- 10 x 12' wooden frame building

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: STRAWBERRY WATER CO., INC.	
Name of System: Strawberry Water System	ADEQ Public Water System Number (If applicable): PWS 04-006

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2006

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	Gallons Purchased (Thousands)
JANUARY	1,051	3,552	3,042	1,137
FEBRUARY	1,053	1,712	405	1,739
MARCH	1,057	2,684	636	2,007
APRIL	1,051	168	398	2,939
MAY	1,056	3,691	900	2,687
JUNE	1,059	4,872	2,232	2,688
JULY	1,058	5,237	1,327	2,983
AUGUST	1,058	5,237	5,036	1,975
SEPTEMBER	1,061	4,850	1,630	2,353
OCTOBER	1,064	3,831	2,238	2,072
NOVEMBER	1,063	3,943	2,021	1,888
DECEMBER	1,062	3,425	860	2,642
TOTALS		43,202	20,725	27,111

What is the level of arsenic for each well on your system? See page 10 **Mg/l**
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? N/A **GPM for** N/A **hrs**

If system has chlorination treatment, does this treatment system chlorinate continuously?

☒ **Yes** ☐ **No**

Is the Water Utility located in an ADWR Active Management Area (AMA)?

☐ **Yes** ☒ **No**

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

☐ **Yes** ☒ **No**

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME: STRAWBERRY WATER CO., INC.

YEAR ENDING 12/31/2006

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2006 was: \$ 33,568.70

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT
Taxes**

VERIFICATION

STATE OF California

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
Kern
NAME (OWNER OR OFFICIAL) TITLE
Robert T. Hardcastle
COMPANY NAME
STRAWBERRY WATER CO., INC.

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

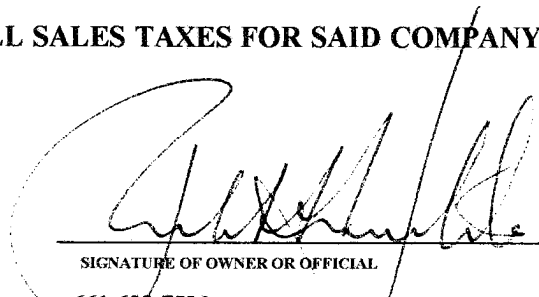
MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



SIGNATURE OF OWNER OR OFFICIAL
661-633-7526

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

DAY OF

*See Attachment
April 14*

COUNTY NAME
2007
MONTH
20

(SEAL)

MY COMMISSION EXPIRES _____

SIGNATURE OF NOTARY PUBLIC

COMPANY NAME: STRAWBERRY WATER CO., INC.
12/31/2006

YEAR ENDING

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	\$	
Estimated or Actual Federal Tax Liability	\$	0
State Taxable Income Reported	\$	
Estimated or Actual State Tax Liability	\$	0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>\$155,935.50</u>
Amount of Gross-Up Tax Collected	<u></u>
Total Grossed-Up Contributions/Advances	<u>\$155,935.50</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.



SIGNATURE

4-15-07

DATE

Robert T. Hardcastle

PRINTED NAME

President

TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF California

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
Kern
NAME (OWNER OR OFFICIAL) TITLE
Robert T. Hardcastle
COMPANY NAME: STRAWBERRY WATER CO., INC.
STRAWBERRY WATER CO., INC.

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2006 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 446,520.23

**(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 22,945.36
IN SALES TAXES BILLED, OR COLLECTED)**

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

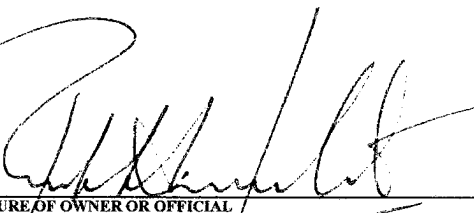
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

DAY OF

(SEAL)

MY COMMISSION EXPIRES

	
SIGNATURE OF OWNER OR OFFICIAL	
(661) 633-7526	
TELEPHONE NUMBER	
COUNTY NAME	
MONTH	20__

SIGNATURE OF NOTARY PUBLIC

Strawberry Water Company, Inc.

9103

LA COUNTY TREASURER

22130

Oct 3 06

945612709'05 Sep 27 06

23,182.50

0.00

23,182.50

945612709'06 Oct 3 06

10,386.29

0.00

10,386.29

NOT NEGOTIABLE

33,568.79

0.00

33,568.79

Strawberry Water Company, Inc.

P.O. Box 52218

Bakersfield, CA 93390-2218

22130

WELLS FARGO BANK, N.A.

CHECK NO.

11-24
1210(8)

*** Thirty-Three Thousand Five Hundred Sixty-Eight and 79/100 ***

DATE

Oct 3 06

AMOUNT

\$33,568.79

LA COUNTY TREASURER

P.O. BOX 1093

GLOBE, AZ 86302

✓

NOT NEGOTIABLE

⑈022130⑈ ⑆ 21000218⑆4121054894⑈

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

COUNTY OF (COUNTY NAME) KERN		
NAME (OWNER OR OFFICIAL)	ROBERT T. HARDCASTLE	TITLE : President
COMPANY NAME: STRAWBERRY WATER CO., INC.		

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2006 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 446,520.23

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 22,945.36
IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

SIGNATURE OF OWNER OR OFFICIAL

661-633-7526

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

DAY OF

(SEAL)

MY COMMISSION EXPIRES

NOTARY PUBLIC NAME

COUNTY NAME

MONTH

.20

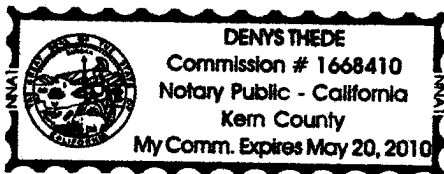
SIGNATURE OF NOTARY PUBLIC

Jurat

State of California

County of Kern

Subscribed and sworn to (or affirmed) before me on this 16th day of April, 2007, by Robert T. Hardcastle personally known to me or proved to me on the basis of satisfactory evidence to be the person who appeared before me.



A handwritten signature in black ink, appearing to read "Denys Theide", written over a horizontal line.